



Iowa Investor-Owned Utilities Support A National Action Plan to Increase Energy Efficiency Initiatives

The investor-owned electric and natural gas member companies of the Iowa Utility Association (Interstate Power & Light Co. - Alliant Energy, Aquila, Inc. and MidAmerican Energy) support a new national commitment to energy efficiency. The Leadership Group of the National Action Plan on Energy Efficiency should be commended for their efforts to develop a comprehensive set of initiatives and recommendations that promote the many advantages of providing sound energy efficiency programs.

Our state's commitment to energy efficiency is represented through the national leadership of Diane Munns, Iowa Utilities Board member, current President of NARUC and the Co-Chair of the Leadership Group for the Action Plan.

Iowa and our utilities have a long history of providing successful energy efficiency programs. In the 1970's and 1980's, Iowa utilities offered a wide range of energy efficiency programs including two statewide residential energy efficiency initiatives - Sky Scan and I-SAVE. In 1990, Iowa's Investor-owned utilities commenced formalized energy efficiency programs based on an "assessment of energy and capacity savings potential." The results of those programs were measured and documented by the utilities and reviewed by the Iowa Utilities Board and the Office of Consumer Advocate.

From 1990 to 2004, Iowa's investor owned utilities energy efficiency programs have delayed or deferred the construction of approximately 1000 MW of new electric generating capacity and are saving electricity equal to 1,400,000 megawatt-hours per year – enough to supply 140,000 homes with electricity for a year. In addition, investor-owned natural gas energy efficiency programs are saving more than 6,000,000 Mcf of gas per year or enough to supply over 60,000 homes with natural gas annually.

The results for 2005 are now being verified but are expected to show, once again, that the energy savings from demand-side programming are growing!

Iowa's investor-owned utilities work closely with our state's regulatory agencies to develop energy efficiency programs and establish goals. Company programs are developed for a five-year period, reviewed by the regulatory agencies and customers and continually updated and modified to maximize their effectiveness.

Iowa's Investor-owned utilities are currently spending approximately \$90 million annually on energy efficiency programs. About \$66 million of this total is expended on electricity reduction programs and some \$22 million per year is directed at natural gas energy efficiency programs. (Source: Iowa Utilities Board website: <http://www.state.ia.us/government/com/util/ee.html>).

Recently, Iowa's investor-owned energy companies have expanded their energy efficiency programs to include a doubling of funds budgeted for programs directed specifically toward low-income customers to \$5 million dollars per year. Such programs include supplemental funding for state low-income weatherization initiatives and an energy conservation education program for applicants for low-income energy assistance funding. In addition, funding has been directed to increase the energy efficiency of multi-family dwellings for low-income residents in a pilot program with the Iowa Finance Authority.

Iowa's investor-owned utilities are participating in the Midwest Natural Gas Initiative, another NARUC initiative. Other utility programs work closely with trade allies to provide incentives to install energy efficiency appliances and equipment, insulation, energy efficient windows, energy efficient design in residential and commercial buildings and provide custom programs to assist industrial customers to reduce energy use.

Our state's Investor-owned utilities have received numerous awards, both regionally and nationally, for energy efficient new construction, retail sales promotion of compact fluorescent bulbs, innovative programs leading to increased participation by larger commercial and industrial customers, and setting new records for customer participation in on-site and on-line audit programs including farm audits in the agricultural sector.

Iowa utilities are committed to increasing the awareness and implementation of sound, measurable energy efficiency programs. They support the Leadership Group's recommendations to advance a business case for increased investment in energy efficiency throughout the country.

* The Iowa Utility Association is the state's association for investor-owned electric and natural gas companies with facilities in Iowa. Its members are: Interstate Power & Light Company - Alliant Energy (www.alliantenergy.com); Aquila (www.aquila.com); and MidAmerican Energy (www.midamericanenergy.com); Additional information is available on the member utilities websites or from the Iowa Utility Association. (www.iowautility.org)

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